

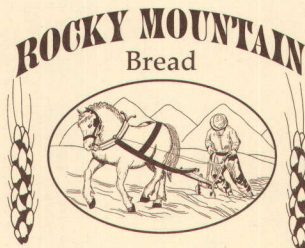
October 30, 2012

Public Comment

Department of Environmental Quality - Division of Air Quality

PO Box 144820

Salt Lake City, UT 94114-4820



UTAH DEPARTMENT OF  
ENVIRONMENTAL QUALITY

OCT 31 2012

DIVISION OF AIR QUALITY

RE: Public Comments Regarding Draft Rule R307-334  
Emission Standards: Industrial Baking Ovens under EPA PM2.5

To Whom It May Concern:

Rocky Mountain Bread Company, Inc. (RMB) received a call from the Utah Division of Air Quality on Friday, October 26 asking to meet with RMB officials on Monday, October 29. In the Monday, October 29 meeting, RMB officials were told that based on a plant tour and preliminary production numbers that RMB may be subject to the draft rule and be required to install control equipment costing potentially \$1,000,000 and to pay additional amounts in permit and emission fees.

RMB has not been aware of the proposed rule and so hasn't had a chance to fully assess the impact or to provide comments in public hearings held earlier in the month. However, RMB wishes to submit the following comments based on its initial review:

1. A quick reading of literature on bakery oven emissions raises questions about the real actual reduction in PM2.5 levels from bakery oven controls and whether bakery-produced ethanol will form particulates by reaction.
2. If the Division proceeds with rule implementation, the tonnage requirement should be increased from 25 tons per year to at least 50-100 tons per year and the value which is used to determine when a BACT control is considered economically feasible/infeasible should be increased from \$5,000 to \$10,000 because of the economic impact of compliance costs on companies the size of RMB. Requiring RMB to comply would be devastating and not economically feasible. Bakeries work on small margins. \$1 million is more than 5 times the current equity in the company and more than the net depreciated value of all property, plant, and equipment. It would take more than 25 years to pay the potential \$1 million installation costs using all of RMB's average net income after taxes over the past three years. Would the control equipment even last 25 years?


When the economy tanked in 2008, RMB officials determined that to stay in business, be competitive, and help the economy by creating jobs, RMB would have to increase volume and install tunnel ovens. RMB installed a tunnel oven for buns in 2009 and one for bread loafs in 2011. Jobs are up nearly 70%. This proposed rule on bakery oven emissions threatens all that has been done. RMB is challenged to repay tunnel oven debt without the additional burden of potentially having to dump over 1.6 times as much into a VOC control sunk-cost black hole without economic benefit.



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In conclusion, unless the Division can provide scientific evidence that reducing ethanol emissions from bread ovens will significantly reduce PM2.5 levels, the Division should discard the proposed rule and discontinue efforts to regulate bakery VOC emissions. If the Division provides that evidence and proceeds with rule implementation, the tonnage requirement should be increased from 25 tons per year to at least 50-100 tons per year and the value which is used to determine when a BACT control is considered economically feasible/infeasible should be increased from \$5,000 to \$10,000 because of the economic impact of compliance costs on smaller companies like RMB.

If you have questions, please contact me.

A handwritten signature in dark ink, appearing to read "Dale Hatch", with a stylized, sweeping underline.

Dale Hatch, CFO

Cc: Senator Orrin Hatch  
Senator Mike Lee  
Congressman Jim Matheson  
Congressman Rob Bishop  
Congressman Jason Chaffetz